GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:7295
ANSWERED ON:13.05.2005
SERVICE TO CUSTOMERS
Verma Shri Ravi Prakash

Will the Minister of FINANCE be pleased to state:

(a) whether the RBI has decided to set up an independent Banking Codes and Standards Board of India in order to ensure that comprehensive codes of conduct for fair treatment of customers are evolved and adhered to;

(b) if so, the details thereof;

(c) whether the RBI has issued appropriate guidelines to banks to ensure transparency and disclosure of information by the card issuing banks and customer right protection; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a):- Yes Sir. Reserve Bank of India (RBI) have proposed to set up an Independent Banking Codes and Standards Board of India for the said purpose.

(b):- The detailed modalities for setting up of the Board are being worked out.

(c) & (d):- As per the extant guidelines on undertaking of credit card business banks have been advised by RBI to clearly spell out fees/charges to the cardholder at the time of their applying for credit card. In particular, banks should bring to the notice of the cardholder the rates of interest to be charged in case of delays and default in payments, besides the membership/renewal fees.